

OTHER DUTIES OF THE HUMAN SERVICES COMMITTEE - BACKGROUND MEMORANDUM

In addition to the study responsibilities assigned to the Human Services Committee for the 2015-16 interim, the committee has also been assigned to:

- Receive annual reports from the Department of Human Services describing enrollment statistics and costs associated with the children's health insurance program state plan (North Dakota Century Code Section 50-29-02 ([Appendix A](#))).
- Receive a report from the Department of Human Services regarding the outcomes of the Medicaid and Medicaid Expansion cost-sharing provisions study and the associated legislative recommendations and related draft legislation (Section 1 of 2015 House Bill No. 1037 ([Appendix B](#))).
- Receive a report from the Department of Human Services relating to life skill services, including evidence-based return-to-work model provided for individuals with a traumatic brain injury (Section 1 of 2015 House Bill No. 1046 ([Appendix C](#))).
- Receive a report from the Department of Human Services regarding development activities of the developmental disabilities system reimbursement project (Section 14 of 2015 Senate Bill No. 2012 ([Appendix D](#))).
- Receive a report from the Department of Human Services regarding eligibility for developmental disability waivers (Section 1 of 2015 Senate Bill No. 2234 ([Appendix E](#))).
- Receive a report from a statewide family-controlled parent-to-parent support organization receiving a grant under Section 19 of 2015 Senate Bill No. 2012, regarding the use of grant funds (Section 19 of 2015 Senate Bill No. 2012 ([Appendix F](#))).
- Receive a report from a statewide family-to-family health information and education organization receiving a grant under Section 20 of 2015 Senate Bill No. 2012, regarding the use of grant funds (Section 20 of 2015 Senate Bill No. 2012. ([Appendix G](#))).
- Receive a report from the Department of Human Services regarding the adult protective services program, including the effectiveness of the program, information on services and outcomes, and funding by human service region and in total (Section 23 of 2015 Senate Bill No. 2012. ([Appendix H](#))).

CHILDREN'S HEALTH INSURANCE PROGRAM

Section 50-29-02 provides the Department of Human Services is to prepare, submit, and implement a children's health insurance program state plan and report annually to the Legislative Management and describe enrollment statistics and costs associated with the plan. The responsibility to receive the report has been assigned to the Human Services Committee.

Healthy Steps--North Dakota's children's health insurance plan--provides premium-free health coverage to uninsured children in qualifying families. It is intended to help meet the health care needs of children from working families that earn too much to qualify for full Medicaid coverage but not enough to afford private insurance. To be eligible for the program, the family's net income may not exceed 175 percent of the federal poverty level.

Legislative Appropriations

The schedule below summarizes legislative appropriations for the Healthy Steps program since the 2003-05 biennium.

Biennium	General Fund	Federal Funds	Total
2003-05	\$2,127,162	\$7,359,222	\$9,486,384
2005-07	\$2,895,233	\$9,180,309	\$12,075,542
2007-09	\$4,669,885	\$15,534,861	\$20,204,746
2009-11	\$5,598,799	\$16,033,737	\$21,632,536
2011-13	\$8,517,391	\$19,007,011	\$27,524,402
2013-15	\$11,400,407	\$21,293,663	\$32,694,070
2015-17	\$2,831,220	\$17,643,704	\$20,474,924

Federal Medical Assistance Percentage and North Dakota's Allocation

The schedule below summarizes the federal medical assistance percentage (FMAP) and North Dakota's allocation of federal funds for the Healthy Steps program.

Federal Fiscal Year Ending	FMAP	North Dakota Allocation
September 30, 2005	77.24%	\$6,384,719
September 30, 2006	76.10%	\$6,346,156
September 30, 2007	75.30%	\$7,737,529
September 30, 2008	74.63%	\$11,017,680 ¹
September 30, 2009	74.21%	\$15,821,554
September 30, 2010	74.11%	\$16,595,628
September 30, 2011	72.25%	\$15,257,665
September 30, 2012	68.78%	\$16,063,553
September 30, 2013	66.59%	\$17,311,376
September 30, 2014	65.00%	\$18,787,251
September 30, 2015	65.00%	\$15,695,150
September 30, 2016 (estimate)	88.00%	\$18,834,180
September 30, 2017 (estimate)	88.00%	\$19,775,889

¹This amount includes one-time additional federal funding of \$3,128,684.

Children Enrolled and Premium Rates

The schedule below summarizes the average annual recipients and premium rates in effect for the majority of the year for the majority of children covered.

State Fiscal Year Ending	Average Annual Recipients	Monthly Average Premium Rates
June 30, 2007	3,821	\$183.45
June 30, 2008	4,006	\$202.32
June 30, 2009	3,470	\$204.03
June 30, 2010	3,368	\$229.15
June 30, 2011	3,718	\$232.82
June 30, 2012	3,872	\$272.69
June 30, 2013	4,046	\$272.67
June 30, 2014	3,879	\$280.52
June 30, 2015	2,614 (estimate)	\$292.69 (estimate)
June 30, 2016	2,479 (estimate)	\$292.69 (estimate)
June 30, 2017	2,539 (estimate)	\$307.32 (estimate)

MEDICAID EXPANSION

Section 1 of 2015 House Bill No. 1037 requires the Department of Human Services to study options for implementing income-based cost-sharing provisions for the Medicaid and Medicaid Expansion programs. The study must include consideration of provider recovery rates for copayments, information technology capacity for implementing income-based cost-sharing provisions, consideration of how income-based cost-sharing has been implemented by other states, analysis of the costs and benefits of cost-sharing, and consideration of whether cost-sharing improves the effectiveness of Medicaid and Medicaid Expansion programs. In addition, this bill requires the department to provide the Legislative Management a report regarding the outcome of the study and the associated legislative recommendations and related draft legislation.

BRAIN INJURY LIFE SKILL SERVICES

During the 2013-14 interim, the Human Services Committee studied the need for a comprehensive system of care for individuals with a brain injury pursuant to Section 16 of 2013 House Bill No. 1012. The study included an evaluation of services available to veterans who are returning from wars, the impact of the inclusion of all acquired brain injury on traumatic brain injury programs, the need for a statewide registry for brain injury, the need for increased awareness of the impact of brain injury, the need for screening for brain injury in the education system, the availability of community support systems, the availability of specialized substance abuse services, the examination of the long-term care needs, the availability of home- and community-based services, services available from independent living centers, the need for transitional supportive housing, and the suitability of the current level of care determination for brain injury.

In response to the study, the 2015 Legislative Assembly included, in Section 1 of 2015 House Bill No. 1046, an appropriation of \$375,000 from the general fund to the Department of Human Services for the purpose of providing life skill services, including an evidence-based return-to-work model for individuals with a traumatic brain injury. This bill requires the department to provide a report to the Legislative Management during the 2015-16 interim on the use of funds.

DEVELOPMENTAL DISABILITIES

Developmental Disabilities Reimbursement System Project

House Bill No. 1556 (2009) provided that during the 2009-10 interim, the Department of Human Services contract with an independent contractor to study the methodology and calculation for a ratesetting structure used by the department to reimburse all developmental disabilities service providers, including public and private, licensed developmental disabilities Intermediate Care Facilities for Individuals with Mental Retardation (ICF/MR) medically based service providers serving ICF/MR medically fragile and behaviorally challenged individuals. The study was to address reimbursement adequacy and equitability and fairness of reimbursement rates among providers; the level of medical and supportive services required by providers to adequately serve individuals in those categories; the varying levels of medical and behavioral complexity of individuals requiring services by the providers; and any other analytical comparisons bearing upon issues of reimbursement adequacy, fairness, and equitability to providers. At the time, the current ratesetting process for the developmental disabilities program was a mix of a cost-based, retrospective ratesetting system with additional compensation provided for individuals who are medically fragile or behaviorally challenged. The independent contractor recommended changing to a prospective reimbursement process using an independent ratesetting and resource allocation model for the entire developmental disabilities client base.

The 2011 Legislative Assembly directed the Department of Human Services to develop a developmental disabilities payment system. Section 50-06-37 provides the department, in conjunction with developmental disabilities service providers, develop a prospective or related payment system with an independent rate model utilizing the support intensity scale. Section 50-06-37 also provides the following:

1. The department establish a steering committee consisting of representatives from all interested providers and department representatives. The steering committee shall guide the development of the new payment system including assisting a consultant to conceptualize, develop, design, implement, and evaluate a new payment system.
2. The department shall contract with a consultant by September 1, 2011, to develop, in collaboration with the steering committee, the payment system and the resource allocation model tying funding to support intensity scale assessed needs of clients aged sixteen and older and to a state-approved assessment that assesses needs of clients younger than sixteen years of age.
3. After the prospective or related payment system rates are developed, the new rates must be tested on a sampling of clients and providers, the sample to be determined by the steering committee, allowing sufficient time to capture provider cost, client-realized need, and service provision data. The consultant shall provide the appropriate sampling number to sufficiently test the rates, types of services, and needs of clients with the intent to include as many providers as fiscally feasible.
4. The department shall contract with a team of support intensity scale assessors by September 1, 2011. The team shall begin assessing immediately the identified client pilot group identified by the consultant contracted in subsection 2.
5. Once testing is complete, the data must be analyzed by the consultant and the consultant shall make any needed rate adjustments, resource allocation modifications, or process assumptions.
6. Beginning in June 2012, the department and the steering committee shall report development activities and status information to an interim legislative committee.
7. Implementation of any system developed under this chapter may not occur before the implementation of the department's new Medicaid management information system.

During the 2013-15 biennium, it was determined that the steering committee should address the following items prior to the implementation of a new system:

- Reviewing concerns with ratesetting;
- Identifying audit requirements and cost-related reporting;
- Finalizing Administrative Code, service descriptions, and related policies and procedures;
- Submitting waiver and Medicaid state plan changes to the Centers for Medicare and Medicaid Services (CMS); and
- Implementing the billing module within the case management system to accommodate making payments under the new payment system.

Section 14 of 2015 Senate Bill No. 2012 requires the Department of Human Services to provide a report to the Legislative Management regarding the development activities of the developmental disabilities system reimbursement project.

Developmental Disability Waivers Eligibility

In March 2014, a new federal CMS rule established requirements for the qualities of settings that are eligible for reimbursement for Medicaid home- and community-based services, which are provided by the federal 1915(c) home- and community-based waivers. The Department of Human Services completed a review of current services, which included site visits and work with CMS, consumers, and providers to assure compliance with new rules.

Section 1 of 2015 Senate Bill No. 2234 requires the Department of Human Services to study eligibility for developmental disability waivers and to provide a report to the Legislative Management regarding the eligibility for developmental disability waivers.

FAMILY-CONTROLLED PARENT-TO-PARENT SUPPORT

Section 19 of 2015 Senate Bill No. 2012 provides \$75,000 for a grant to a statewide family-controlled parent-to-parent support organization with at least 50 percent of its board of directors consisting of members whose primary daily responsibilities include caring for a child with a mental health disorder and requires the grant recipient to provide a report to the Legislative Management during the 2015-16 interim on the use of grant funds.

FAMILY-TO-FAMILY HEALTH INFORMATION AND EDUCATION

Section 20 of 2015 Senate Bill No. 2012 provides \$75,000 for a grant to a statewide family-to-family health information and education organization, which provides parent-to-parent support for families and is located in a county with a population of less than 6,000 based on the 2010 decennial census. The funds must be used for family-related information and education services. In addition, this section requires the grant recipient to provide a report to the Legislative Management during the 2015-16 interim on the use of grant funds.

ADULT PROTECTIVE SERVICES PROGRAM

The adult protective services program addresses the safety of vulnerable adults who are at-risk of harm due to the presence or threat of abuse, neglect, or exploitation. A vulnerable adult is defined as an adult who has a substantial functional or mental impairment. A substantial functional impairment is defined as a substantial inability, because of physical limitations, of living independently or providing self-care as determined through observation, diagnosis, evaluation, or assessment. A substantial mental impairment is defined as a substantial disorder of thought, mood, perception, orientation, or memory that grossly impairs judgment, behavior, or ability to live independently or provide self-care as determined by observation, diagnosis, evaluation, or assessment. The adult protective services program is offered statewide through the department's regional human service centers or through local partner agencies.

Section 23 of 2015 Senate Bill No. 2012 requires the Department of Human Services to provide a report to the Legislative Management regarding the adult protective services program, including the effectiveness of the program, information on services and outcome, and funding by human service region and in total.

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